

Deloitte Tax LLP  
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Samuel Lowenthal

Tax Services Providers for Debtors  
and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re  
LEHMAN BROTHERS HOLDINGS INC., *et al.*,  
Debtors.

Chapter 11  
Case No. 08-13555 (JMP)  
(Jointly Administered)

**SECOND INTERIM APPLICATION OF DELOITTE TAX LLP  
FOR COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES  
AS TAX SERVICES PROVIDER TO THE DEBTORS FOR THE PERIOD  
FROM JUNE 1, 2010 THROUGH AND INCLUDING SEPTEMBER 30, 2010**

Name of Applicant: Deloitte Tax LLP

Authorized to Provide Tax Services to: Lehman Brothers Holdings Inc.

Date of Retention: Effective November 1, 2008 by  
Order Signed on March 25, 2010

***SECOND INTERIM APPLICATION:***

Period for which Compensation and Reimbursement is  
Sought: June 1, 2010 through September 30, 2010

Amount of Compensation Sought as Actual, Reasonable  
and Necessary: \$61,810.29

Amount of Expense Reimbursement Sought as Actual,  
Reasonable and Necessary: \$68.85

This is a(n):  monthly  interim  final application

**MONTHLY FEE STATEMENT SUMMARY:**

Monthly Fee Statement for the Period June 1, 2010 - June 30, 2010 served on December 7, 2010. Amount sought:

Fees:	\$29,071.70
Expenses:	\$68.85
Amounts Paid to Date:	\$0.00

Monthly Fee Statement for the Period July 1, 2010 – July 31, 2010 served on December 7, 2010. Amount sought:

Fees:	\$8,445.17
Expenses:	\$0.00
Amounts Paid to Date:	\$0.00

Aggregate Monthly Fee Statement for the Period August 1, 2010 – September 30, 2010 served on December 13, 2010. Amount sought:

Fees:	\$24,293.42
Expenses:	\$0.00
Amounts Paid to Date:	\$0.00

**INTERIM FEE APPLICATION SUMMARY:**

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses	Approved Total
10/12/2010	11/01/08 - 05/31/10	\$ 110,856.50	\$ 126.35			

**SECOND INTERIM CUMULATIVE TIME SUMMARY**

For the Period of June 1, 2010 through September 30, 2010

Professional	Level	Hours	Rate	Fees
Cunningham, Julia C	Manager	2.3	655.00	\$ 1,506.50
Cunningham, Julia C	Manager*	0.3	665.00	199.50
Fantacci, Olderigo	Partner/Principal	1.0	775.00	775.00
Gannon, James M	Partner/Principal	9.1	985.00	8,963.50
Gareau, Matthew E	Partner/Principal	0.1	795.00	79.50
Hicks, Arianda Lee	Manager	0.5	495.00	247.50
Kelleher, Brian J	Director	7.7	840.00	6,468.00
Klein, Miriam S	Senior Manager	4.0	775.00	3,100.00
Lowenthal, Samuel	Partner/Principal	9.2	965.00	8,878.00
Lowenthal, Samuel	Partner/Principal*	13.5	985.00	13,297.50
O'Brien, Donald K	Partner/Principal	9.1	890.00	8,099.00

On, Kit	Senior Manager	0.5	700.00	350.00
Schmidt, Beth A	Staff	18.6	290.00	5,394.00
Schmidt, Beth A	Staff*	23.3	300.00	6,990.00
Sina, Jeremy Daniel	Manager	12.4	675.00	8,370.00
<b>Sub-Total: June 1, 2010 - September 30, 2010</b>		<b>111.6</b>		<b>\$ 72,718.00</b>
<b>Less: Voluntary Reduction</b>				<b>(10,907.71)</b>
<b>Total: June 1, 2010 - September 30, 2010</b>				<b>\$ 61,810.29</b>

\*Variation in rate due to rate increase.

### **SECOND INTERIM CUMULATIVE EXPENSE SUMMARY**

For the Period of June 1, 2010 through September 30, 2010

Expense Category	Expense Total
Telecommunications	\$ 11.85
Travel - Auto	57.00
	<b>\$ 68.85</b>

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In re  
LEHMAN BROTHERS HOLDINGS INC., *et al.*,  
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Chapter 11  
Case No. 08-13555 (JMP)  
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**SECOND INTERIM APPLICATION OF DELOITTE TAX LLP  
FOR COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES  
AS TAX SERVICES PROVIDER TO THE DEBTORS FOR THE PERIOD  
FROM JUNE 1, 2010 THROUGH AND INCLUDING SEPTEMBER 30, 2010**

Deloitte Tax LLP (“Deloitte Tax”), tax services provider for Lehman Brothers Holdings Inc. (“LBHI”), and certain of its subsidiaries, debtors, and debtors-in-possession in the above-captioned cases (collectively with LBHI, the “Debtors”), submits this (i) second interim application (the “Second Interim Application”) seeking allowance of compensation and reimbursement of expenses under sections 330 and 331 of title 11 of the United States Code (“the Bankruptcy Code”) for the period from June 1, 2010 through and including September 30, 2010 (the “Interim Fee Period”). In support of the Second Interim Application, Deloitte Tax respectfully represents as follows:

**BACKGROUND**

1. On September 15, 2008 (the “Petition Date”), the Debtors filed petitions with the United States Bankruptcy Court for the Southern District of New York (the “Court”) under chapter 11 of the Bankruptcy Code. The Debtors are operating their businesses and managing their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

3. On March 25, 2010, the Court entered an Order Authorizing the Employment and Retention of Deloitte Tax LLP to provide Tax Services to the Debtors *Nunc Pro Tunc* to November 1, 2008 (the “Retention Order”) in accordance with the terms and conditions of Deloitte Tax’s engagement letter with the Debtors (as referenced in the Retention Order, the “Engagement Letters”).

4. On November 5, 2008, the Court signed the Administrative Order authorizing certain professionals to submit applications for interim compensation and reimbursement of expenses on a monthly basis pursuant to the procedures specified therein (the “Interim Compensation Order”).

#### **RELIEF REQUESTED**

5. By this Second Interim Application, Deloitte Tax respectfully requests approval and payment of compensation and reimbursement of expenses for Deloitte Tax professionals to the Debtors, pursuant to Bankruptcy Code sections 330 and 331 and the Interim Compensation Order.

6. Deloitte Tax is seeking compensation in the amount of \$61,810.29 for professional services rendered by Deloitte Tax as tax services provider to the Debtors in these chapter 11 cases. Deloitte Tax also requests reimbursement of actual and necessary disbursements and charges incurred in the amount of \$68.85, which expenses were incurred in the provision of professional services to the Debtors. On December 7, 2010, Deloitte Tax served its monthly fee statements for the monthly periods June 1, 2010 – June 30, 2010 and July 1, 2010 – July 31, 2010 consistent with the Interim Compensation Order. On December 13, 2010, Deloitte Tax served its monthly fee statement for the aggregate monthly period August 1, 2010 – September 30, 2010 consistent with the Interim Compensation Order. The objection periods have not yet run with respect to these monthly statements and therefore Deloitte Tax has not been paid for these services.

7. Deloitte Tax has received no promise of payment for professional services rendered or to be rendered in these cases other than in accordance with the provisions of the Bankruptcy Code.

### **BASIS FOR RELIEF**

8. During the Interim Fee Period, professionals of Deloitte Tax devoted a total of 111.6 hours to providing tax services to the Debtors. A schedule showing the name of each such professional, hours worked during the Interim Fee Period, and hourly billing rates is provided at the front of this Second Interim Application. Deloitte Tax's time records allocated by category, listing the name of the professional, the date on which the services were performed, and the amount of time spent in performing the services, are attached as Exhibits A and B.

9. Deloitte Tax also maintains records of all actual and necessary expenses incurred in connection with its rendition of services for the Debtors. The summary precedes this Second Interim Application, and Exhibit C includes a breakdown of expenses incurred during the Interim Fee Period.

### **DESCRIPTION OF SERVICES RENDERED**

10. Deloitte Tax provides below an overview of the services it rendered as tax services provider for the Debtors during the Interim Fee Period. Detailed descriptions of these services, the amount of fees incurred, and the amount of hours spent providing services throughout the Interim Fee Period are also provided in the attached exhibits.

11. Deloitte Tax served the Debtors in the following areas throughout the Interim Fee Period:

- Sales and Use Tax Filings and Related Matters—Applicant strategized and planned sales tax work.
- Tax Return Assessment and Related Matters—Applicant analyzed how best to assist Debtors with various state claims.
- Refund and Overpayment Claims and Related Matters—Applicant discussed and analyzed Debtors' refund claim opportunities.
- FIN48 Tax and Related Matters—Applicant corresponded relating to previously performed FIN48 analysis.
- Debtor Assistance on Special Transactions—Applicant reviewed and responded to tax issues discussed in meeting with Debtors.

- General Tax-Related Assistance—Applicant primarily discussed and performed analysis relating to international tax and other corporate tax matters.
- Firm Retention and Related Matters—Applicant worked to obtain consent from Debtors relating to sales tax project team.
- Chapter 11 Administrative Assistance and Related Matters—Applicant performed fee forecasting, engagement maintenance, and fee application preparation and submission activities.
- CDO Funds GP—Applicant reviewed 2009 Lehman CDO Associates taxable income workpapers and schedule K-1s.

12. Specific and detailed descriptions of the services that Deloitte Tax provided throughout the Interim Fee Period are included in Deloitte Tax's prior monthly fee statements and included in Exhibit A. Summaries of the fees incurred and time spent within each of the areas referenced above are provided in Exhibit B.

#### **ALLOWANCE OF COMPENSATION**

13. Because of the benefits realized by the Debtors, the nature of services provided, the amount of work performed, the time consumed, and the skill required, Deloitte Tax requests that it be allowed, on an interim basis, compensation for the professional services rendered during the Interim Fee Period in the sum of \$61,810.29.

14. Deloitte Tax has disbursed, and requests reimbursement for \$68.85, which represents actual, necessary expenses incurred in rendering professional services in these chapter 11 cases.

15. No agreement or understanding exists between Deloitte Tax and any other nonaffiliated person or persons for the sharing of compensation received or to be received for professional services rendered in or in connection with these cases.

#### **CERTIFICATE OF COMPLIANCE AND WAIVER**

Finally, the undersigned representative of Deloitte Tax certifies that he has reviewed the requirements of Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United

States Bankruptcy Court for the Southern District of New York (the “Local Rules”) and that the Application substantially complies with such Local Rules. To the extent that the Application does not comply in all respects with the requirements of Local Rule 2016-2 Deloitte Tax believes that such deviations are not material and respectfully requests that any such requirement be waived.

WHEREFORE, Deloitte Tax respectfully requests that the Court (a) grant it allowance of compensation, on an interim basis, for professional services rendered as tax services provider for the Debtors during the Interim Fee Period in the sum of \$61,810.29; (b) grant reimbursement of actual and necessary expenses, on an interim basis, incurred during the Interim Fee Period in the aggregate amount of \$68.85; (c) authorize and direct payment to Deloitte Tax of the foregoing amounts in full, to the extent not already paid, and (d) grant such other and further relief as is just and proper.

Dated: December 14, 2010  
New York, New York

Respectfully submitted,



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TAX SERVICES PROVIDERS FOR  
DEBTORS AND DEBTORS IN POSSESSION

# **EXHIBIT A**

**EXHIBIT A**

**SECOND INTERIM CUMULATIVE TIME DETAIL**

Fee Statement Summarizing Fees for the Fee Period June 1, 2010 through September 30, 2010  
By Deloitte Tax LLP, Tax Services Providers to Lehman Brothers Holding Inc., et al, Debtors  
Categorized and Sorted by Level Then Alphabetically and Chronologically by Professional

Date	Work Description	Hours	Rate	Fees
<b>Sales and Use Tax Filings and Related Matters</b>				
<b>Time Detail for Kelleher, Brian J</b>				
09/21/10	Discuss with Mike Morgese documentation for New York sales/use tax refund claim.	0.5	840.00	420.00
09/22/10	Review 2004 sales/use tax workpapers to determine areas for sales/use tax refund claim.	2.2	840.00	1,848.00
09/22/10	Review workpapers relating to computer software and other computer services to identify specific vendors for sales/use tax refund claim.	2.0	840.00	1,680.00
09/22/10	Review workpapers relating to market data to identify specific vendors for sales/use tax refund claim.	2.0	840.00	1,680.00
09/23/10	Discuss with J. Tuosto information request for submission to Barclays relating to New York sales/use tax refund claim.	0.5	840.00	420.00
09/27/10	Review emails from J. Tuosto relating to sales tax refund opportunity information obtained from Barclays.	0.5	840.00	420.00
<b>Total: Kelleher, Brian J</b>		<b>7.7</b>	<b>hours</b>	<b>\$ 6,468.00</b>
<b>Time Detail for Lowenthal, Samuel</b>				
06/02/10	Discuss fee application protocols with general counsel.	0.3	965.00	289.50
06/09/10	Discuss with D. O'Brien and E. Mason status of sales tax project and next steps.	0.4	965.00	386.00
06/10/10	Prepare for and meet with Deloitte project team and J. Ciongoli to discuss sales tax project, upcoming deadlines, and next steps.	0.5	965.00	482.50
06/16/10	Prepare for and participate in conference call with Deloitte team members, sales tax project team, tax professional practice director, and general counsel regarding sales tax project effort combining LBHI with LBI.	0.5	965.00	482.50
06/18/10	Discuss with J. Ciongoli and E. Mason next steps on sales tax and rescheduling conference call.	0.3	965.00	289.50
06/21/10	Prepare for and participate in conference call with Deloitte sales tax project team, J. Ciongoli, H. Hubbard on behalf of LBI to discuss protective claim filing.	0.5	965.00	482.50
<b>Total: Lowenthal, Samuel</b>		<b>2.5</b>	<b>hours</b>	<b>\$ 2,412.50</b>
<b>Time Detail for Lowenthal, Samuel</b>				
08/23/10	Discuss with E. Mason sales tax project, including how refund claims would work against offsets.	0.7	985.00	689.50
08/26/10	Further discuss with E. Mason sales tax project, including how refund claims would work against offsets.	0.4	985.00	394.00
08/30/10	Discuss with E. Mason nature of sales tax project relating to different Lehman entities.	0.4	985.00	394.00
09/08/10	Discuss with J. Ciongoli notice from NY auditor regarding sales tax claims.	0.4	985.00	394.00
09/08/10	Update E. Mason on discussion with J. Ciongoli regarding notice from NY auditor regarding sales tax claims.	0.2	985.00	197.00
09/13/10	Discuss with E. Mason status of sales tax project and his discussion with J. Ciongoli regarding same.	0.5	985.00	492.50
09/15/10	Discuss with E. Mason status of sales tax project and his discussion with J. Ciongoli regarding same.	0.4	985.00	394.00
09/17/10	Discuss with J. Ciongoli sales tax refund claim and approach in satisfying auditor's request.	0.3	985.00	295.50

Date	Work Description	Hours	Rate	Fees
09/17/10	Discuss with E. Mason results of discussion with J. Ciongoli regarding sales tax refund claim and approach in satisfying auditor's request.	0.2	985.00	197.00
09/22/10	Discuss with E. Mason status of sales tax refund work.	0.5	985.00	492.50
09/28/10	Receive update from B. Kelleher regarding status of sales tax work.	0.3	985.00	295.50
	<b>Total: Lowenthal, Samuel</b>	<b>4.3</b>	<b>hours</b>	<b>\$ 4,235.50</b>

**Time Detail for O'Brien, Donald K**

06/02/10	Meet with B. Kelleher, L. Klana, M. Morgese to discuss New York sales and use tax audit, findings of and for, refund opportunities discovered by Deloitte, and to review statement of proposed assessment issued by state of New York.	2.0	890.00	1,780.00
06/04/10	Discuss with B. Kelleher New York state research regarding timing of statement of proposed audit adjustments, notice of determination, formal request for conciliation conference with New York state auditory and supervisors, timing of such documents, and preliminary review of Deloitte's refund claims for Lehman Bros.	2.0	890.00	1,780.00
06/08/10	Review original refund claim and detailed review of client accountants identified on client's Zborg profit/loss data system.	1.0	890.00	890.00
06/09/10	Discuss with S. Lowenthal and E. Mason status of sales tax project and next steps.	0.4	890.00	356.00
06/10/10	Discuss with J. Wetzler and B. Kelleher regarding options/strategies in responding timely to state of New York regarding sales and use tax refunds available to Lehman Bros. during audit period in question and not subsequently identified by state auditor.	1.0	890.00	890.00
06/17/10	Discuss with state of New York personnel formal response by Lehman Bros. and information to be provided to state in asserting claim for refund of sales tax previously paid during audit period.	1.0	890.00	890.00
06/30/10	Meet with B. Kelleher and F. Mee to review field work previously completed by F. Mee in his analysis of client's Zborg accounts payable system and sales and use tax refund amounts available for current audit period and subsequent audit periods.	1.0	890.00	890.00

**Total: O'Brien, Donald K** **8.4** hours **\$ 7,476.00**

**Total: Sales and Use Tax Filings and Related Matters** **22.9** hours **\$ 20,592.00**

**Tax Return Assessment and Related Matters**

**Time Detail for Lowenthal, Samuel**

06/09/10	Discuss with E. Mason and D. O'Brien how companies in chapter 11 deal with states making post statute claims, at client's request.	0.3	965.00	289.50
06/09/10	Discuss with B. Baer, D. O'Brien, E. Mason how to assist LBHI with state of California claims.	0.4	965.00	386.00
	<b>Total: Lowenthal, Samuel</b>	<b>0.7</b>	<b>hours</b>	<b>\$ 675.50</b>

**Time Detail for O'Brien, Donald K**

06/09/10	Discuss with E. Mason and S. Lowenthal how companies in chapter 11 deal with states making post statute claims, at client's request.	0.3	890.00	267.00
06/09/10	Discuss with B. Baer, S. Lowenthal, E. Mason how to assist LBHI with state of California claims.	0.4	890.00	356.00
	<b>Total: O'Brien, Donald K</b>	<b>0.7</b>	<b>hours</b>	<b>\$ 623.00</b>
	<b>Total: Tax Return Assessment and Related Matters</b>	<b>1.4</b>	<b>hours</b>	<b>\$ 1,298.50</b>

Date	Work Description	Hours	Rate	Fees
<b>Refund and Overpayment Claims and Related Matters</b>				
<b>Time Detail for Lowenthal, Samuel</b>				
06/04/10	Prepare for and participate in conference call with personnel from Weil Gotshal, general counsel, C. Roberge of Deloitte Canada, and L. Klang regarding best approach to have Deloitte Canada engaged by LBHI in assisting LBHI with refund claims on Canadian transaction taxes.	0.7	965.00	675.50
06/18/10	Discuss with E. Mason and J. Ciongoli prospects of refund claims relating to LBCS; plan meeting with LBHI and Deloitte project meeting.	0.4	965.00	386.00
06/24/10	Prepare for and participate in conference call with Deloitte energy trading state and local tax team and L. Klang to discuss potential state tax refund opportunities for LBCS.	0.5	965.00	482.50
<b>Total: Lowenthal, Samuel</b>		<b>1.6</b>	<b>hours</b>	<b>\$ 1,544.00</b>
<b>Time Detail for Lowenthal, Samuel</b>				
08/05/10	Assist Deloitte Canada engagement regarding refund claim of taxes paid relating to energy business.	0.4	985.00	394.00
08/06/10	Assist Deloitte Canada engagement regarding refund claim of taxes paid relating to energy business.	0.1	985.00	98.50
09/03/10	Review with E. Mason engagement letter for state refund project.	0.3	985.00	295.50
09/03/10	Update with E. Mason engagement letter for state refund project.	0.2	985.00	197.00
<b>Total: Lowenthal, Samuel</b>		<b>1.0</b>	<b>hours</b>	<b>\$ 985.00</b>
<b>Total: Refund and Overpayment Claims and Related Matters</b>		<b>2.6</b>	<b>hours</b>	<b>\$ 2,529.00</b>
<b>FIN48 Tax and Related Matters</b>				
<b>Time Detail for Lowenthal, Samuel</b>				
06/30/10	Correspond with L. Luebbers regarding setting up client-requested meeting with LBHI; follow up on previous FIN 48 (Financial Accounting Standards Board Interpretation 48) project matters.	0.1	965.00	96.50
<b>Total: Lowenthal, Samuel</b>		<b>0.1</b>	<b>hours</b>	<b>\$ 96.50</b>
<b>Time Detail for Lowenthal, Samuel</b>				
07/07/10	Arrange meeting with L. Luebbers per J. Ciongoli request.	0.1	985.00	98.50
<b>Total: Lowenthal, Samuel</b>		<b>0.1</b>	<b>hours</b>	<b>\$ 98.50</b>
<b>Total: FIN48 Tax and Related Matters</b>		<b>0.2</b>	<b>hours</b>	<b>\$ 195.00</b>
<b>Debtor Assistance on Special Transactions</b>				
<b>Time Detail for Lowenthal, Samuel</b>				
06/08/10	Review J. Gannon's summary of tax issues meeting with client in DC.	0.4	965.00	386.00
06/28/10	Review correspondence between J. Gannon and J. Shanahan regarding follow-up from DC meeting.	0.2	965.00	193.00
<b>Total: Lowenthal, Samuel</b>		<b>0.6</b>	<b>hours</b>	<b>\$ 579.00</b>
<b>Total: Debtor Assistance on Special Transactions</b>		<b>0.6</b>	<b>hours</b>	<b>\$ 579.00</b>

Date	Work Description	Hours	Rate	Fees
<b>General Tax-Related Assistance</b>				
<b>Time Detail for Gannon, James M</b>				
06/08/10	Prepare for and participate in conference call with J. Shanahan and K. On regarding structure of Jasmine investment and Hong Kong management and control; follow-up with Deloitte Hong Kong on residency requirements.	0.8	985.00	788.00
06/08/10	Prepare for and participate in conference call with J. Shanahan, D. Steinberg, and Deloitte Italian desk partner relating to withholding tax.	0.9	985.00	886.50
06/08/10	Prepare email confirming points for follow-up from client meeting; arrange conference calls with Italian and Chinese tax specialists.	1.1	985.00	1,083.50
06/08/10	Review files and past opinions for LBHI in preparation for meeting.	1.1	985.00	1,083.50
06/08/10	Meet with J. Congoli, D. Steinberg and B. Brier in Deloitte Washington office to discuss past transactions and present tax issues from bankruptcy.	1.9	985.00	1,871.50
06/11/10	Read articles, court and IRS guidance on gross income test for section 165(g)(3) ordinary loss.	0.7	985.00	689.50
07/09/10	Identify tax issues for section 367(a) gain recognition agreements; supervise manager J. Sina on trigger events; discuss with J. Sina continuity of business enterprise doctrine related to internal restructuring of Mable group.	0.7	985.00	689.50
08/19/10	Review and reply to email correspondence from Darryl Steinberg and Eric Salzman of Lamco LLC regarding eFonds Netherlands holding company.	0.6	985.00	591.00
09/02/10	Discuss with J. Shanahan treatment of built-in loss property distributed as dividend by one consolidated group member to another.	0.3	985.00	295.50
09/02/10	Consult with M. Gareau treatment of built-in loss property distributed as dividend by one consolidated group member to another.	0.1	985.00	98.50
09/03/10	Discuss with J. Shanahan scope to section 311 and loss deferral within a consolidated group; research gain reconciliation agreement under treasury regulation 1.367(a)-3(b) requirements for arrangements to monitor subsequent dispositions; review draft email from J. Sina communicating Deloitte conclusions regarding technical issues identified relating to section 311 and loss deferral.	0.9	985.00	886.50
<b>Total: Gannon, James M</b>		<b>9.1</b>	<b>hours</b>	<b>\$ 8,963.50</b>
<b>Time Detail for Gareau, Matthew E</b>				
09/02/10	Consult with J. Gannon regarding intercompany distribution rules.	0.1	795.00	79.50
<b>Total: Gareau, Matthew E</b>		<b>0.1</b>	<b>hours</b>	<b>\$ 79.50</b>
<b>Time Detail for Lowenthal, Samuel</b>				
06/03/10	Prepare for and participate in planning meeting with J. Gannon (Washington national tax).	0.3	965.00	289.50
06/03/10	Discuss with D. Steinberg matters required for Washington DC meeting with J. Gannon and others from Deloitte to discuss transactions previously advised by Deloitte on legislative issues.	0.4	965.00	386.00
<b>Total: Lowenthal, Samuel</b>		<b>0.7</b>	<b>hours</b>	<b>\$ 675.50</b>
<b>Time Detail for Lowenthal, Samuel</b>				
07/16/10	Plan for call with J. Shanahan to discuss fund filings.	0.5	985.00	492.50
07/19/10	Discuss with J. Shanahan certain compliance requirements.	0.5	985.00	492.50
07/29/10	Prepare with E. Mason for upcoming meeting at LBHI to discuss various projects.	0.5	985.00	492.50
07/30/10	Discuss with J. Ciongoli and E. Mason status and next steps on multiple projects, including sales and use tax filings, refund and overpayment claims, federal and state examinations, and other transactions.	1.7	985.00	1,674.50

Date	Work Description	Hours	Rate	Fees
08/23/10	Discuss with E. Mason and send email to J. Ciongoli regarding tax matters discussed in prior meetings.	0.9	985.00	886.50
09/20/10	Discuss with D. Marsan, J. Ciongoli and D. Steinberg areas where D. Steinberg can assist LBHI.	0.8	985.00	788.00
	<b>Total: Lowenthal, Samuel</b>	<b>4.9</b>	hours	<b>\$ 4,826.50</b>
<b>Time Detail for On, Kit</b>				
06/08/10	Prepare for and participate in conference call with J. Shanahan regarding transfer of ownership of Chinese investment.	0.5	700.00	350.00
	<b>Total: On, Kit</b>	<b>0.5</b>	hours	<b>\$ 350.00</b>
<b>Time Detail for Fantacci, Olderigo</b>				
06/08/10	Prepare for and participate in conference call with J. Shanahan and D. Steinberg related to distribution of dividend from Italy to US.	1.0	775.00	775.00
	<b>Total: Fantacci, Olderigo</b>	<b>1.0</b>	hours	<b>\$ 775.00</b>
<b>Time Detail for Sina, Jeremy Daniel</b>				
06/08/10	Discuss with J. Gannon, K. On, and J. Shanahan China tax issue.	0.4	675.00	270.00
06/08/10	Discuss with J. Gannon, O. Fantacci, J. Shanahan, and D. Steinberg Italy tax issue.	0.8	675.00	540.00
06/08/10	Discuss with J. Gannon international tax issues to follow-up on after meeting with Lehman Brothers personnel; draft list of issues for review by J. Gannon before distribution to Lehman Brothers personnel.	1.1	675.00	742.50
06/08/10	Prepare for and participate in meeting in DC with J. Gannon, J. Shanahan, J. Ciongoli, D. Steinberg, and B. Brier to discuss international tax issues related to bankruptcy.	2.1	675.00	1,417.50
06/11/10	Discuss findings of research relating to international tax issues with J. Gannon.	0.2	675.00	135.00
06/11/10	Conduct research to follow up on international tax issues from previous meeting with Lehman Brothers.	1.3	675.00	877.50
06/14/10	Further research international tax issues as follow-up from previous meeting with Lehman Brothers.	1.4	675.00	945.00
07/09/10	Conduct international tax research regarding follow-up questions to previous meeting in Washington, DC with J. Gannon and tax personnel from Lehman Brothers.	2.8	675.00	1,890.00
07/09/10	Research tax issues and discuss same with J. Gannon.	0.8	675.00	540.00
07/09/10	Draft email to S. Wegener regarding follow-up tax question resulting from prior meeting with Lehman Brothers in Washington, DC.	0.3	675.00	202.50
09/03/10	Discuss with J. Shanahan and J. Gannon international tax issues.	0.6	675.00	405.00
09/03/10	Draft email summarizing tax discussion with J. Shanahan and J. Gannon.	0.6	675.00	405.00
	<b>Total: Sina, Jeremy Daniel</b>	<b>12.4</b>	hours	<b>\$ 8,370.00</b>
	<b>Total: General Tax-Related Assistance</b>	<b>28.7</b>	hours	<b>\$ 24,040.00</b>

<b>Firm Retention and Related Matters</b>				
<b>Time Detail for Lowenthal, Samuel</b>				
06/21/10	Discuss with team and S. Monson process of obtaining consent from LBHI and LBI to use one team for sales tax project.	0.2	965.00	193.00
06/23/10	Discuss with team and S. Monson process of obtaining consent from LBHI and LBI to use one team for sales tax project.	0.2	965.00	193.00
	<b>Total: Lowenthal, Samuel</b>	<b>0.4</b>	hours	<b>\$ 386.00</b>
	<b>Total: Firm Retention and Related Matters</b>	<b>0.4</b>	hours	<b>\$ 386.00</b>

Date	Work Description	Hours	Rate	Fees
<b>Chapter 11 Administrative Assistance and Related Matters</b>				
<b>Time Detail for Lowenthal, Samuel</b>				
06/02/10	Participate in discussion led by B. Schmidt on chapter 11 timekeeping guidelines for court compliance.	0.9	965.00	868.50
06/09/10	Answer multiple questions via email regarding hours and insertions on 11/08-04/10 fee statement.	0.3	965.00	289.50
06/10/10	Review initial draft of 11/08-04/10 fee statement.	0.7	965.00	675.50
06/16/10	Discuss general counsel's comments relating to initial (11/08-04/10) fee statement.	0.4	965.00	386.00
06/24/10	Review questions on fee statement relating to research and development project.	0.3	965.00	289.50
<b>Total: Lowenthal, Samuel</b>		<b>2.6</b>	<b>hours</b>	<b>\$ 2,509.00</b>
<b>Time Detail for Lowenthal, Samuel</b>				
07/01/10	Review 11/08-04/10 fee application.	0.3	985.00	295.50
07/07/10	Review updated 11/08-04/10 fee application.	0.4	985.00	394.00
07/16/10	Review and resolve queries regarding 11/08-04/10 fee application.	0.3	985.00	295.50
08/17/10	Review November 2008 through April 2010 fee application.	0.5	985.00	492.50
08/18/10	Conduct final review of November 2008 through April 2010 fee application.	0.4	985.00	394.00
08/30/10	Discuss with B. Schmidt status of June through August fee applications.	0.2	985.00	197.00
09/11/10	Review correspondence from B. Schmidt regarding monthly and interim fee applications.	0.5	985.00	492.50
09/14/10	Review fee applications.	0.2	985.00	197.00
09/27/10	Review first interim fee application.	0.4	985.00	394.00
<b>Total: Lowenthal, Samuel</b>		<b>3.2</b>	<b>hours</b>	<b>\$ 3,152.00</b>
<b>Time Detail for Cunningham, Julia C</b>				
06/09/10	Review 11/08-04/10 fee statement; identify questions and suggestions; discuss with B. Schmidt.	0.2	655.00	131.00
06/16/10	Discuss status of Lehman Brothers billing and specific areas for editing with general counsel; composed and sent messages to team members requesting additional information; incorporated comments returned.	0.9	655.00	589.50
06/24/10	Draft and send messages about outstanding comments and explanations necessary to complete first billing.	0.2	655.00	131.00
06/27/10	Review feedback from S. Gogerty related to 11/08-04/10 invoicing; make adjustments to schedule reflecting his feedback.	1.0	655.00	655.00
<b>Total: Cunningham, Julia C</b>		<b>2.3</b>	<b>hours</b>	<b>\$ 1,506.50</b>
<b>Time Detail for Cunningham, Julia C</b>				
08/19/10	Review and provide comments relating to first interim fee application.	0.3	665.00	199.50
<b>Total: Cunningham, Julia C</b>		<b>0.3</b>	<b>hours</b>	<b>\$ 199.50</b>
<b>Time Detail for Hicks, Arianda Lee</b>				
06/08/10	Send fee data request responses to B. Schmidt regarding Lehman activity.	0.5	495.00	247.50
<b>Total: Hicks, Arianda Lee</b>		<b>0.5</b>	<b>hours</b>	<b>\$ 247.50</b>
<b>Time Detail for Schmidt, Beth A</b>				
06/02/10	Lead discussion on chapter 11 timekeeping guidelines for court compliance.	0.9	290.00	261.00
06/07/10	Adjust billing categories related to fee statement preparation.	0.9	290.00	261.00
06/08/10	Address billing questions of engagement team.	0.3	290.00	87.00
06/08/10	Update first fee application based on feedback from engagement team.	2.1	290.00	609.00
06/09/10	Update first fee application based on feedback from internal review.	2.3	290.00	667.00
06/09/10	Address and resolve concerns within first fee application.	2.5	290.00	725.00
06/10/10	Update 11/08-04/10 fee application and submit for review.	1.4	290.00	406.00

Date	Work Description	Hours	Rate	Fees
07/06/10	Read and respond to email from J. Cunningham regarding engagement support.	0.2	290.00	58.00
07/07/10	Update S. Lowenthal on status of fee applications and details about invoicing.	0.3	290.00	87.00
07/07/10	Review April fee data, soliciting feedback from engagement team and updating fee detail accordingly.	2.1	290.00	609.00
07/07/10	Clarify details relating to fees included in 11/08-04/10 fee application.	0.7	290.00	203.00
07/07/10	Update first interim fee application data.	1.4	290.00	406.00
07/08/10	Clarify details relating to fees included in May fee application.	0.4	290.00	116.00
07/16/10	Address email and call S. Lowenthal to discuss fee application preparation.	0.4	290.00	116.00
07/19/10	Download May-June expense data and prepare exhibit D of May-June fee statement.	1.2	290.00	348.00
07/19/10	DNB: Prepare 1108-1004 invoice.	0.5	290.00	145.00
07/19/10	Solicit feedback from engagement partner and team members relating to May-June fee statement.	0.5	290.00	145.00
07/20/10	Respond to emails from S. Gogerty relating to 08/11-04/10 fee statement.	0.4	290.00	116.00
07/21/10	Update June fee statement based on feedback from engagement team.	0.1	290.00	29.00
<b>Total: Schmidt, Beth A</b>		<b>18.6</b>	<b>hours</b>	<b>\$ 5,394.00</b>

**Time Detail for Schmidt, Beth A**

08/02/10	Discuss with S. Lowenthal status of first monthly fee statement and next steps.	0.2	300.00	60.00
08/10/10	Prepare documents for servicing November 2008 through April 2010 fee application.	0.3	300.00	90.00
08/10/10	Coordinate servicing November 2008 through April 2010 fee application.	0.2	300.00	60.00
08/10/10	Update November 2008 through April 2010 fee application.	0.6	300.00	180.00
08/10/10	Address rate concerns relating to November 2008 through April 2010 fee application.	0.8	300.00	240.00
08/10/10	Update May 2010 fee application.	1.2	300.00	360.00
08/11/10	Discuss with L. Kelly status of approval on monthly fee statements and follow-up via email.	0.2	300.00	60.00
08/12/10	Prepare initial draft of first interim fee application.	0.6	300.00	180.00
08/12/10	Compile data for first interim fee application.	2.6	300.00	780.00
08/16/10	Discuss with general counsel status and timing of first interim fee application.	0.3	300.00	90.00
08/16/10	Work to determine if collateralized debt obligation services fall within bankruptcy proceedings.	1.1	300.00	330.00
08/16/10	Update first interim fee application.	2.1	300.00	630.00
08/17/10	Coordinate and assist with servicing November 2008 through April 2010 fee application.	0.3	300.00	90.00
08/17/10	Determine and communicate to S. Lowenthal status and next steps relating to monthly fee application in preparation for filing first interim fee application.	0.5	300.00	150.00
08/18/10	Call S. Lowenthal to discuss May fee application.	0.1	300.00	30.00
08/19/10	Prepare May fee application for and coordinate servicing.	0.2	300.00	60.00
08/19/10	Calculate rate adjustment for May fee application.	0.2	300.00	60.00
08/19/10	Call S. Lowenthal to discuss May fee application.	0.3	300.00	90.00
08/19/10	Update May-June fee data in preparation of fee application.	0.5	300.00	150.00
08/19/10	Finalize May fee application and submit for approval.	0.9	300.00	270.00
08/19/10	Update first interim fee application based on internal review feedback; submit same to engagement leadership and general counsel for further review.	1.0	300.00	300.00
08/19/10	Update first interim fee application based on approval details of May fee application; submit same for review.	2.4	300.00	720.00
09/07/10	Solicit feedback from engagement team regarding June fee detail.	0.2	300.00	60.00
09/07/10	Update June fee detail per feedback received from engagement team.	0.4	300.00	120.00
09/07/10	Download and perform initial review of July fee data.	0.6	300.00	180.00
09/07/10	Download and perform initial review of June fee data.	0.6	300.00	180.00
09/07/10	Solicit feedback from engagement team regarding July fee detail.	0.2	300.00	60.00
09/07/10	Update July fee detail per feedback received from engagement team.	0.5	300.00	150.00

Date	Work Description	Hours	Rate	Fees
09/08/10	Research and address questions regarding first fee application and communicate status of first interim fee application to S. Lowenthal.	1.2	300.00	360.00
09/28/10	Update first interim fee application based on feedback from S. Lowenthal.	0.3	300.00	90.00
09/28/10	Prepare first interim fee application for partner review.	0.3	300.00	90.00
09/28/10	Update S. Lowenthal on status of June and July fee applications.	0.3	300.00	90.00
09/28/10	Finalize first interim fee application, including sending to general counsel for submission to Debtors' counsel.	0.7	300.00	210.00
09/28/10	Update first interim fee application based on feedback from general counsel.	1.0	300.00	300.00
09/30/10	Update first interim fee application per general counsel's suggestions; resend to partner for signature.	0.4	300.00	120.00
<b>Total: Schmidt, Beth A</b>		<b>23.3</b>	<b>hours</b>	<b>\$ 6,990.00</b>
<b>Total: Chapter 11 Administrative Assistance and Related Matters</b>		<b>50.8</b>	<b>hours</b>	<b>\$ 19,998.50</b>
<b>CDO Funds GP</b>				
<b>Time Detail for Klein, Miriam S</b>				
09/13/10	Review 2009 Lehman CDO Associates taxable income workpapers.	1.5	775.00	1,162.50
09/14/10	Review updated 2009 Lehman CDO Associates taxable income workpapers.	1.3	775.00	1,007.50
09/14/10	Review 2009 Lehman CDO Associates schedule K-1s--statements to partners regarding their share of the entity's taxable income.	1.2	775.00	930.00
<b>Total: Klein, Miriam S</b>		<b>4.0</b>	<b>hours</b>	<b>\$ 3,100.00</b>
<b>Total: CDO Funds GP</b>		<b>4.0</b>		<b>\$ 3,100.00</b>
<b>Sub-Total: June 1, 2010 -- September 30, 2010</b>		<b>111.6</b>	<b>hours</b>	<b>\$ 72,718.00</b>
<b>Less: Voluntary Reduction</b>				<b>(10,907.71)</b>
<b>Total: June 1, 2010 -- September 30, 2010</b>				<b>\$ 61,810.29</b>

## **EXHIBIT B**

**EXHIBIT B**

**SECOND INTERIM CUMULATIVE MATTER SUMMARY**

For the Fee Period June 1, 2010 through September 30, 2010

By Deloitte Tax LLP, Tax Services Providers to Lehman Brothers Holding Inc., et al, Debtors

Work Category	Hours	Fees
Sales and Use Tax Filings and Related Matters	22.9	20,592.00
Tax Return Assessment and Related Matters	1.4	1,298.50
Refund and Overpayment Claims and Related Matters	2.6	2,529.00
FIN48 Tax and Related Matters	0.2	195.00
Debtor Assistance on Special Transactions	0.6	579.00
General Tax-Related Assistance	28.7	24,040.00
Firm Retention and Related Matters	0.4	386.00
Chapter 11 Administrative Assistance and Related Matters	50.8	19,998.50
CDO Funds GP	4.0	3,100.00
<b>Sub-Total: June 1, 2010 - September 30, 2010</b>	<b>111.6</b>	<b>72,718.00</b>
<b>Less: Voluntary Reduction</b>		<b>(10,907.71)</b>
<b>Total: June 1, 2010 - September 30, 2010</b>		<b>\$ 61,810.29</b>

**SECOND INTERIM CUMULATIVE TIME SUMMARY**

Fee Statement Summarizing Fees for the Fee Period June 1, 2010 through September 30, 2010  
By Deloitte Tax LLP, Tax Services Providers to Lehman Brothers Holding Inc., et al, Debtors  
Categorized and Sorted by Level Then Alphabetically by Professional

Professional	Level	Hours	Rate	Fees
<b>Sales and Use Tax Filings and Related Matters</b>				
Kelleher, Brian J	Director	7.7	840.00	\$ 6,468.00
Lowenthal, Samuel	Partner/Principal	2.5	965.00	2,412.50
Lowenthal, Samuel	Partner/Principal	4.3	985.00	4,235.50
O'Brien, Donald K	Partner/Principal	8.4	890.00	7,476.00
		22.9	hours	\$ 20,592.00
<b>Tax Return Assessment and Related Matters</b>				
Lowenthal, Samuel	Partner/Principal	0.7	965.00	\$ 675.50
O'Brien, Donald K	Partner/Principal	0.7	890.00	623.00
		1.4	hours	\$ 1,298.50
<b>Refund and Overpayment Claims and Related Matters</b>				
Lowenthal, Samuel	Partner/Principal	1.6	965.00	\$ 1,544.00
Lowenthal, Samuel	Partner/Principal	1.0	985.00	985.00
		2.6	hours	\$ 2,529.00
<b>FIN48 Tax and Related Matters</b>				
Lowenthal, Samuel	Partner/Principal	0.1	965.00	\$ 96.50
Lowenthal, Samuel	Partner/Principal	0.1	985.00	98.50
		0.2		\$ 195.00
<b>Debtor Assistance on Special Transactions</b>				
Lowenthal, Samuel	Partner/Principal	0.6	965.00	\$ 579.00
		0.6		\$ 579.00
<b>General Tax-Related Assistance</b>				
Gannon, James M	Partner/Principal	9.1	985.00	\$ 8,963.50
Gareau, Matthew E	Partner/Principal	0.1	795.00	79.50
Lowenthal, Samuel	Partner/Principal	0.7	965.00	675.50
Lowenthal, Samuel	Partner/Principal	4.9	985.00	4,826.50
On, Kit	Senior Manager	0.5	700.00	350.00
Fantacci, Olderigo	Partner/Principal	1.0	775.00	775.00
Sina, Jeremy Daniel	Manager	12.4	675.00	8,370.00
		28.7		\$ 24,040.00
<b>Firm Retention and Related Matters</b>				
Lowenthal, Samuel	Partner/Principal	0.4	965.00	\$ 386.00
		0.4	hours	\$ 386.00

**Chapter 11 Administrative Assistance and Related Matters**

Lowenthal, Samuel	Partner/Principal	2.6	965.00	\$ 2,509.00
Lowenthal, Samuel	Partner/Principal	3.2	985.00	3,152.00
Cunningham, Julia C	Manager	2.3	655.00	1,506.50
Cunningham, Julia C	Manager	0.3	665.00	199.50
Hicks, Arianda Lee	Manager	0.5	495.00	247.50
Schmidt, Beth A	Staff	18.6	290.00	5,394.00
Schmidt, Beth A	Staff	<u>23.3</u>	300.00	<u>6,990.00</u>
		50.8		\$ 19,998.50

**CDO Funds GP**

Klein, Miriam S	Senior Manager	<u>4.0</u>	775.00	\$ 3,100.00
		4.0 hours		\$ 3,100.00

**Sub-Total: June 1, 2010 - September 30, 2010**

**Less: Voluntary Reduction**

**Total: June 1, 2010 - September 30, 2010**

<b><u>111.6</u></b>	<b>hours</b>	<b>\$ 72,718.00</b>
		<b>(10,907.71)</b>
		<b><u>\$ 61,810.29</u></b>

# **EXHIBIT C**

**EXHIBIT C**

**SECOND INTERIM CUMULATIVE EXPENSE DETAIL**

Reflecting Expenses for the Period June 1, 2010 through September 30, 2010

By Deloitte Tax LLP, Tax Services Providers to Lehman Brothers Holding Inc., et al, Debtors  
Sorted by Category

Date	Amount	Professional	Description
<b>Telecommunications</b>			
06/02/10	6.56	Schmidt, Beth A	Conference call expense to discuss compliant time and expense recording for preparing fee applications.
06/08/10	1.39	Gannon, James M	Conference call expense relating to discussion between Deloitte USA, Deloitte China and Debtors.
06/08/10	3.90	Gannon, James M	Conference call expense relating to discussion between Deloitte USA, Deloitte Italy and Debtors.
	<b>\$ 11.85</b>	<b>Sub-total: Telecommunications</b>	
<b>Travel - Auto</b>			
06/02/10	22.00	O'Brien, Donald K	Parking expense incurred while meeting with B. Kelleher, L. Klana and M. Morgese at Lehman Bros. Jersey City, NJ office.
06/30/10	35.00	O'Brien, Donald K	Parking expense incurred while meeting with B. Kelleher and F. Mee.
	<b>\$ 57.00</b>	<b>Sub-total: Travel - Auto</b>	
	<b>\$ 68.85</b>	<b>Total expense reimbursement sought for 06/01/10-09/30/10</b>	